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Preventing and combating corrupt practices and transfer of assets of illicit origin and returning such assets, in particular to the countries of origin, consistent with the United Nations Convention against Corruption

Report of the Secretary-General

Summary

The present report has been prepared pursuant to General Assembly resolution 63/226, entitled "Preventing and combating corrupt practices and transfer of assets of illicit origin and returning such assets, in particular to the countries of origin, consistent with the United Nations Convention against Corruption". It provides a brief overview of the preparations for the third session of the Conference of the States Parties to the United Nations Convention against Corruption, to be held in Doha, from 9 to 13 November 2009. The report also reflects measures taken by States to prevent and combat corruption and to work for the prompt return of assets. It gives an overview of international action against corruption and for asset recovery and of the relevant work carried out by the United Nations Office on Drugs and Crime individually and in partnership with other institutions, in particular with the World Bank under the joint Stolen Asset Recovery initiative. Further, it discusses matters related to resources.

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Contents

		Page
I.	Introduction	3
II.	United Nations Convention against Corruption	4
	A. Status of ratification	4
	B. Conference of the States Parties: towards the third session	4
III.	Measures taken by States to prevent and combat corruption and to work for the prompt return of assets, consistent with the principles of the Convention	9
IV.	International action for asset recovery	12
	A. Political commitment	12
	B. Technical assistance for the implementation of the Convention	13
	C. Stolen Asset Recovery initiative	15
	D. Cooperation with the private sector	17
V.	Resources	18
VI.	Conclusions and recommendations	18

I. Introduction

1. In its resolution 63/226, the General Assembly urged all Governments to combat and penalize corruption, as well as the laundering of proceeds of corruption, to prevent the transfer of illicitly acquired assets and to work for the prompt return of such assets. It invited Member States to work on the identification and tracing of financial flows linked to corruption and the freezing, seizure and return of such assets, and encouraged the promotion of human and institutional capacity-building in this regard. It affirmed the need for Member States to take measures to prevent the transfer abroad and laundering of assets derived from corruption and encouraged them to enhance international cooperation. The Assembly welcomed the large number of Member States that had become parties to the United Nations Convention against Corruption and urged all Member States and competent regional economic integration organizations to consider doing so. It called upon States parties to continue to support the work carried out by the Open-ended Intergovernmental Working Groups on Asset Recovery, Technical Assistance and Review of the Implementation of the Convention, established by the Conference of the States Parties, and encouraged the Conference of the States Parties at its third session to consider the recommendations prepared by the three Working Groups, including the terms of reference for a review mechanism. It welcomed the responses already received to the self-assessment checklist on the implementation of the Convention, and encouraged all States parties that had not yet done so to submit their responses. It also encouraged Member States that had not yet done so to enact laws and to implement effective measures to prevent and combat corruption. The Assembly took note with appreciation of the Stolen Asset Recovery (StAR) initiative of the United Nations Office on Drugs and Crime (UNODC) and the World Bank, took note of its cooperation with relevant partners and encouraged coordination among existing initiatives. The Assembly called for further international cooperation to prevent and combat corrupt practices and the transfer of assets of illicit origin; urged all Member States to abide by the principles of proper management of public affairs and public property and the need to safeguard integrity and to foster a culture of transparency, accountability and rejection of corruption; encouraged Member States to provide adequate financial and human resources to UNODC, including for the effective implementation of the Convention, and encouraged UNODC to give high priority to technical cooperation. It requested the international community to provide technical assistance to support national efforts to strengthen capacity; encouraged Member States that had not yet done so to require financial institutions to properly implement comprehensive due diligence and vigilance programmes; reiterated its call upon the private sector to remain fully engaged in the fight against corruption; and noted in this context the role that the Global Compact could play. It requested the Secretary-General to continue to provide UNODC with the resources necessary to enable it to promote the implementation of the Convention and to discharge its functions as the secretariat of the Conference of the States Parties to the Convention. It took note of the offer of the Government of Qatar to host the third session of the Conference of the States Parties in 2009 and invited all States parties and signatories to take measures to promote the full and effective implementation of the Convention. Finally, it decided to include in the provisional agenda of its sixty-fourth session, under the item entitled "Globalization and interdependence", a sub-item entitled "Preventing and combating corrupt practices and transfer of assets

of illicit origin and returning such assets, in particular to the countries of origin, consistent with the United Nations Convention against Corruption".

2. Pursuant to General Assembly resolution 62/202, a report on preventing and combating corrupt practices and transfer of assets of illicit origin and returning such assets, in particular to the countries of origin, was submitted to the Assembly at its sixty-third session (A/63/88). Prior to that report, other reports on the subject had been submitted to the Assembly at its fifty-sixth to sixty-second sessions (A/56/403 and Add.1, A/57/158 and Add.1 and 2, A/58/125, A/59/203 and Add.1, A/60/157, A/61/177 and A/62/116).

3. The present report contains an update on the status of adherence to the United Nations Convention against Corruption. It reports on the preparations for the third session of the Conference of the States Parties and considers the state of implementation of the Convention and technical assistance needs therefor. It provides information on the growing international commitment to asset recovery and on technical assistance provided for the implementation of the Convention, in particular on the StAR initiative of UNODC and the World Bank, and on cooperation with the private sector. The report further provides information on voluntary contributions by Member States to UNODC to provide assistance with the implementation of the Convention and concludes with recommendations on the way forward.

II. United Nations Convention against Corruption

A. Status of ratification

4. As at 26 June 2009, there were a total of 140 signatories and 136 parties to the United Nations Convention against Corruption. This was compelling evidence that the Convention enjoys strong and sustained political commitment by Member States and is rapidly realizing its potential to function as the first truly global instrument against corruption.

B. Conference of the States Parties: towards the third session

5. Pursuant to decision 2/1, adopted by the Conference of the States Parties to the United Nations Convention against Corruption at its second session, the third session of the Conference of the States Parties will be held in Doha from 9 to 13 November 2009. It is expected that at the third session of the Conference, States parties will receive a comprehensive tool for information-gathering on the implementation of the Convention and be informed about the general structure of the most important knowledge products with regard to the Convention (legal library and Knowledge Management Consortium). The Conference is likely to reach agreement on the mechanism for the review of the implementation of the Convention, on further steps to be taken for asset recovery, technical assistance and the bribery of international public officials, and on the establishment of corruption prevention as a new priority.

1. Information-gathering on the implementation of the Convention

6. As at 26 June 2009, 78 Member States, including 72 States parties to the Convention, had submitted to UNODC their self-assessment reports on the implementation of the Convention. These reports were based on the self-assessment checklist developed in 2007 by the secretariat pursuant to Conference of the States Parties resolution 1/2 and covered 15 selected articles of the Convention. At its second session, the Conference of the States Parties requested the secretariat to explore the option of modifying the self-assessment checklist to create a comprehensive tool to gather information on the implementation of the five crime-related international legal instruments supported by UNODC (United Nations Convention against Corruption, United Nations Convention against Transnational Organized Crime and the three Protocols to the latter[1]) (resolution 2/1). Two expert group meetings, the first in Vancouver, Canada from 15 to 17 April 2008 and the second in Vienna on 23 and 24 February 2009, provided guidance on the formulation of comprehensive software that was subsequently tested by the following volunteer States: Argentina, Austria, Brazil, Finland, Greece, Latvia, Liechtenstein, Mauritius, Nigeria, Peru, the Philippines, Romania, South Africa, Thailand, the United States of America and Uruguay. During this trial phase, scheduled to last until 30 June 2009, live demonstrations of the tool, as well as demonstrations via video or teleconference, were given to States. Feedback received during the test phase was extremely positive and encouraging, particularly concerning the functionalities of the tool that help to avoid duplication of effort in reporting. Following the incorporation of comments made by States testing the software, it will be presented to the expert group at its last meeting, to be held in Toronto, Canada, on 28 September 2009. The final version of the comprehensive, computer-based tool will be presented to the Conference of the States Parties at its third session for approval.

7. The urgent need for knowledge and knowledge products in the various areas covered by the Convention has consistently been given high priority by the Conference and its Working Groups. In compliance with the relevant mandates, UNODC has begun work on collecting and systematizing knowledge and on creating knowledge products and tools. This has been the rationale for the United Nations Convention against Corruption legal library, which, building predominantly on information elicited through the self-assessment checklist, will collect, systematize and facilitate the analysis and dissemination of updated and validated legal knowledge. Thus, the library is designed to be an electronic repository of laws, regulations, administrative practices and cases related to the requirements of the Convention. The legal library will be presented to the Conference of the States Parties at its third session and be available to the public in 2010.

8. UNODC has also begun the development of a broader web-based portal to facilitate the dissemination of other types of knowledge on the implementation of the Convention against Corruption, in particular on asset recovery. This is the key feature of the Knowledge Management Consortium, a web-based collaborative forum. Consultations are under way with Microsoft on its offer to provide UNODC with necessary technology at no cost. The Consortium will be a platform that brings together reputable regional or international institutions and enable Member States,

[1] United Nations, *Treaty Series*, vols. 2225, 2237, 2241 and 2326, No. 39574.

the broad anti-corruption community and the general public to have access to the anti-corruption and asset recovery knowledge generated by these institutions. A non-exclusive list of such institutions includes the International Association of Anti-Corruption Authorities (IAACA), the United Nations Development Programme (UNDP), the United Nations Interregional Crime and Justice Research Institute, the World Bank, the Asian Development Bank, the Organization for Economic Cooperation and Development (OECD), the Basel Institute on Governance, the Utstein Anti-Corruption Resource Centre and UNODC. While the generation of knowledge on anti-corruption activities and asset recovery remains an undertaking that such institutions may wish to carry out individually, the Knowledge Management Consortium is aimed at creating a single site where such knowledge can be accessed. The Consortium will be introduced to the Conference of the States Parties at its third session and will be launched in 2010.

2. Review of the implementation of the Convention

9. The intergovernmental open-ended Working Group on Review of the Implementation of the Convention, established pursuant to resolution 1/1 of the Conference of the States Parties, continued its work at its second to fifth meetings. In its resolution 2/1, the Conference decided that the Working Group should prepare terms of reference for a review mechanism for consideration, action and possible adoption by the Conference at its third session. The Conference further called upon States parties and signatories to submit proposals to the Working Group for the terms of reference of the mechanism for its consideration. The secretariat received proposals from 33 States (Algeria, Austria, Brunei Darussalam, Chile, China, Croatia, Ecuador, El Salvador, Finland, France, Germany, Hungary, Indonesia, Iran (Islamic Republic of), Japan, Jordan, Kuwait, Latvia, Mali, Mauritius, Morocco, Nigeria, Norway, Panama, Peru, Slovakia, South Africa, Switzerland, Thailand, Tunisia, United Kingdom of Great Britain and Northern Ireland, United States and Uruguay).

10. At its second meeting, held from 22 to 24 September 2008, the Working Group considered these proposals and contributions. It eliminated duplicative passages, structured the text under provisional headings, engaged in a preliminary discussion of the various issues involved and requested the Secretariat to prepare draft terms of reference based on these elements. At its third and fourth meetings, held from 15 to 17 December 2008 and from 11 to 13 May 2009, the Working Group continued its consultations. During the process, the Working Group requested the secretariat on two occasions to organize additional informal consultations in order to advance its work. Such informal consultations were held on 6 and 7 November 2008 and 26 and 27 February 2009. The fifth meeting of the Working Group is scheduled to take place from 25 August to 2 September 2009 in Vienna. By June 2009, consultations on the terms of reference had substantially advanced. Topics discussed by the Working Group included the methodology of the review, the composition of review teams, the sources of information to be used, the relationship of the review mechanism to the Conference of the States Parties, the role of the Secretariat, the monitoring of the implementation of the recommendations of the review and the funding of the mechanism.

11. A pilot project had been initiated in 2007, pursuant to Conference resolution 1/1, aimed at testing methods for reviewing the implementation of the

Convention in order to assist the Conference and the Working Group in reaching an informed decision on the possible elements of a mechanism on the review of implementation. Sixteen States had taken part in the first phase of the project (Argentina, Austria, Finland, France, Greece, Indonesia, Jordan, Netherlands, Norway, Peru, Poland, Romania, Sweden, United Kingdom, United Republic of Tanzania and United States). At its second session the Conference of the States Parties decided to expand the membership of the programme and extend its duration until 2009. Subsequently, 13 additional countries volunteered to participate (Bolivia, Burkina Faso, Colombia, Croatia, Dominican Republic, Fiji, Mexico, Mongolia, Pakistan, Panama, Philippines, Rwanda and Serbia). As at 26 June 2009, the reviews of the 29 countries had reached different stages. In two countries, after the conclusion of the review, follow-up technical assistance activities have been initiated. At their final meeting, to be held in Vienna in August 2009, experts from the 29 pilot countries will discuss lessons learned and experience gained throughout the project, which the secretariat will convey to the Conference of the States Parties at its third session.

3. Asset recovery

12. The Open-ended Intergovernmental Working Group on Asset Recovery, established pursuant to resolution 1/4 of the Conference of the States Parties, held its second intersessional meeting in Vienna on 25 and 26 September 2008. It gave high priority to the availability, creation and management of knowledge. It reconfirmed the recommendation to develop practical tools for asset recovery, in particular a practical step-by-step guide, an expanded version of the UNODC Mutual Legal Assistance Request Writer Tool and models or best-practice guides where feasible. It further highlighted the importance of the work on the establishment of a network of contact points for asset recovery, stressed the great demand for technical assistance and gave high priority to training and capacity-building.

13. At its third intersessional meeting, in Vienna on 14 and 15 May 2009, the Working Group made a number of additional recommendations. It recommended that UNODC consider preparing a compilation of cases relating to asset recovery and that products such as "Stolen asset recovery: a good practices guide for non-conviction based asset forfeiture"[2] be considered for the implementation of other provisions of the Convention. With regard to building confidence and trust, the Working Group recommended that UNODC explore how the database of asset-recovery focal points established by UNODC and the World Bank, in cooperation with the International Criminal Police Organization (INTERPOL) could be amended with a view to making it possible to ascertain the contact details of persons in other jurisdictions. It reiterated its emphasis on providing technical assistance and capacity-building.

4. Technical assistance

14. At its second meeting, held in Vienna on 18 and 19 December 2008, the Open-ended Intergovernmental Working Group on Technical Assistance, established pursuant to resolution 1/5 of the Conference of the States Parties, welcomed a

[2] http://siteresources.worldbank.org/EXTSARI/Resources/NCBGuideFinalEBook.pdf.

proposal to establish a pool of anti-corruption experts. It recommended that a matrix to map technical assistance activities at the bilateral, regional and global levels should be developed and further expanded and that the Secretariat, upon request, should provide non-reporting States parties with the necessary assistance to complete the self-assessment checklist. The Working Group reiterated the importance of enhanced coordination among providers and recipients of technical assistance in implementing the Convention and stressed the necessity of identifying ways to fully meet the needs identified by developing countries. To that end, the Working Group concluded that the establishment of country-based integrated and coordinated programming and delivery should be promoted further, where it does not exist, and recommended that UNODC should participate fully in such processes.

5. Bribery of officials of public international organizations

15. Pursuant to resolution 2/5 of the Conference of the States Parties, an open-ended workshop on international cooperation between public international organizations and States parties was held in Vienna on 28 and 29 January 2009. It brought together practitioners and experts from over 40 States and a number of international organizations, including the Office of Internal Oversight Services and the Office of Legal Affairs of the Secretariat, to exchange best practices and address technical issues involved in the cooperation between public international organizations and States parties in cases of bribery of officials of public international organizations.

16. The Institutional Integrity Initiative held its second meeting on 29 January 2009, bringing together members of the United Nations System Chief Executives Board for Coordination (CEB) to follow up on the consultative process for the review and possible alignment of internal rules and regulations, with a view to aligning them with the principles embodied in the Convention. The secretariat informed participants about the website of the Institutional Integrity Initiative and its collection of material, including information submitted by members of CEB on their internal rules and regulations. Members of CEB that had not yet done so were encouraged to submit the requested information.

6. Prevention of corruption

17. At its second session, the Conference of the States Parties called on the States parties and signatories to the Convention for additional emphasis to be placed on the prevention of corruption. An expert group meeting on prevention was held in Qatar from 9 to 11 February 2009. The experts suggested that in the short run, efforts should focus on a limited number of realistic and measurable initiatives such as the collection, analysis and dissemination of good practices, the development of general anti-corruption policies, public procurement, public-private partnerships in the prevention of corruption and the promotion of the participation of civil society. However, it was recommended that the Conference should also pave the way for a long-term campaign addressing issues such as assessments of the impact of policies, cooperation with the media and educational measures. Action-oriented recommendations produced at the expert group meeting will be brought to the attention of the Conference of the States Parties at its third session.

III. Measures taken by States to prevent and combat corruption and to work for the prompt return of assets, consistent with the principles of the Convention

18. Through the information received from 72 States parties in their replies to the self-assessment checklist, UNODC has assembled an initial picture of the reported measures. The analysis carried out on the basis of the self-assessments received as at 26 June 2009 reveals some trends and represents an overview of the reported status of implementation and identified technical-assistance needs. Information will become more complete when the comprehensive information-gathering tool is finalized and used by States parties.

19. On the prevention of corruption, the self-assessment checklist developed in 2007 addressed articles 5 (preventive anti-corruption policies and practices), 6 (preventive anti-corruption body or bodies), and 9 (public procurement and management of public finances). According to the overall view of the implementation of these three articles that the self-assessment reports provide, the large majority (70 per cent) of provisions had been implemented, 14 per cent were partly implemented and only 2 per cent were not implemented. No information was provided on 14 per cent of the provisions (see figure I).

20. With regard to technical-assistance needs for the prevention of corruption, the most frequently reported necessity was a site visit by an anti-corruption expert (18 per cent), followed by the development of an action plan for implementation and legal advice (16 per cent). Model legislation (15 per cent) and legislative drafting (12 per cent) were less frequent answers (see figure II).

Figure I

Global implementation of articles 5, 6 and 9 (preventive measures)

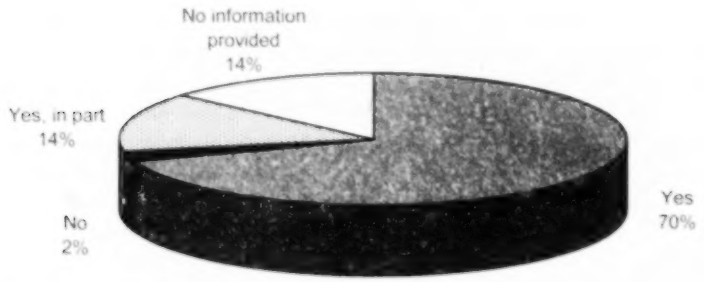


Figure II
Global technical-assistance needs for the implementation of articles 5, 6 and 9

Development of action plan for implementation 16%
Other assistance 14%
No assistance required 9%
Model legislation 15%
Legislative drafting 12%
Legal advice 16%
Site visit by anti-corruption expert 18%

21. With regard to criminalization, the reports show a similar picture. The checklist addressed articles 15 (bribery of national public officials), 16 (bribery of foreign public officials and officials of public international organizations), 17 (embezzlement, misappropriation or other diversion of property by a public official), 23 (laundering of proceeds of crime) and 25 (obstruction of justice). As was the case in respect of the prevention articles, according to the overall view provided by the self-assessment reports on this chapter, the great majority of provisions had been implemented (70 per cent). Thirteen per cent were reportedly partly implemented and 12 per cent not implemented. On 5 per cent of the articles, no information was provided (see figure III).

22. With regard to technical-assistance needs, the areas of greatest necessity were model legislation (19 per cent), legislative drafting (18 per cent) and legal advice (16 per cent). Only 14 per cent of respondents expressed the need for a site visit by an anti-corruption expert and 12 per cent for the development of an action plan (see figure IV).

Figure III
Global implementation of articles 15, 16, 17, 23 and 25 (criminalization and law enforcement)

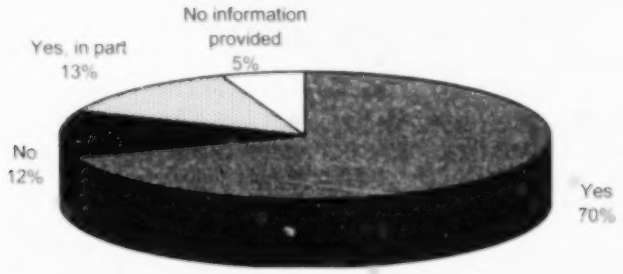
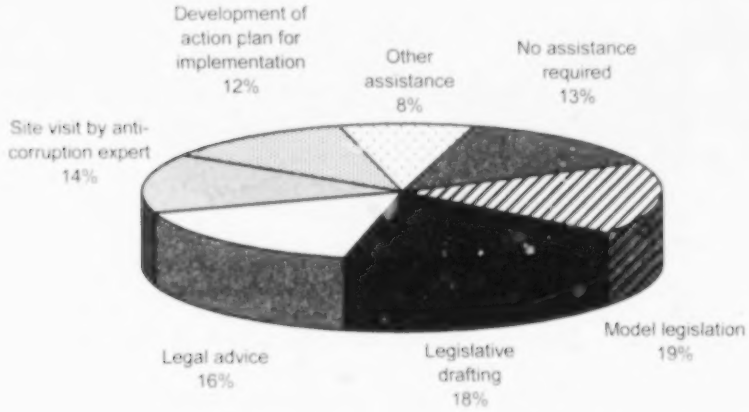


Figure IV
Global technical assistance needs for the implementation of articles 15, 16, 17, 23 and 25


Development of action plan for implementation 12%
Other assistance 8%
No assistance required 13%
Site visit by anti-corruption expert 14%
Model legislation 19%
Legal advice 16%
Legislative drafting 18%

23. Chapter V of the Convention, on asset recovery, clearly poses the greatest challenge for States parties. The self-assessment checklist covered articles 52 (prevention and detection of transfers of proceeds of crime), 53 (measures for direct recovery of property), 54 (mechanisms for recovery of property through international cooperation in confiscation), 55 (international cooperation for purposes of confiscation) and 57 (return and disposal of assets). According to the overall view provided by the self-assessment reports on this chapter, only 56 per cent of the provisions had been implemented; 15 per cent were partly implemented and 19 per cent were not implemented. On 10 per cent of the provisions, no information was provided (see figure V).

24. Together, the provisions reportedly not implemented and the articles on whose implementation no information was provided make up close to one third of the provisions contained in chapter V. This explains the high level of needs for technical assistance for the implementation of this chapter: 90 per cent of the States parties that reported partial or no implementation of chapter V requested technical assistance, in many cases in the form of basic legal assistance; 24 per cent indicated a need for legal advice, 20 per cent for model legislation and 18 per cent for legislative drafting. Only 13 per cent expressed the need for a site visit by an anti-corruption expert and 11 per cent for the development of an action plan for the implementation of the provisions (see figure VI).

Figure V
Global implementation of articles 52, 53, 54, 55 and 57 (asset recovery)

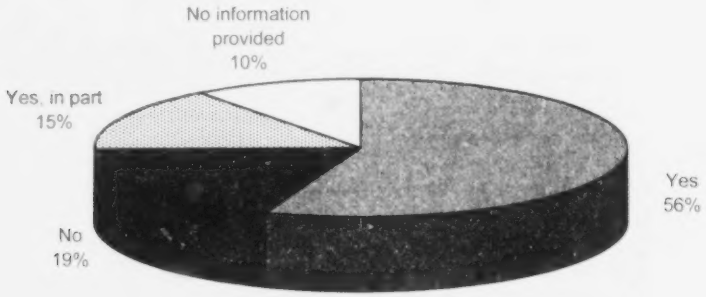
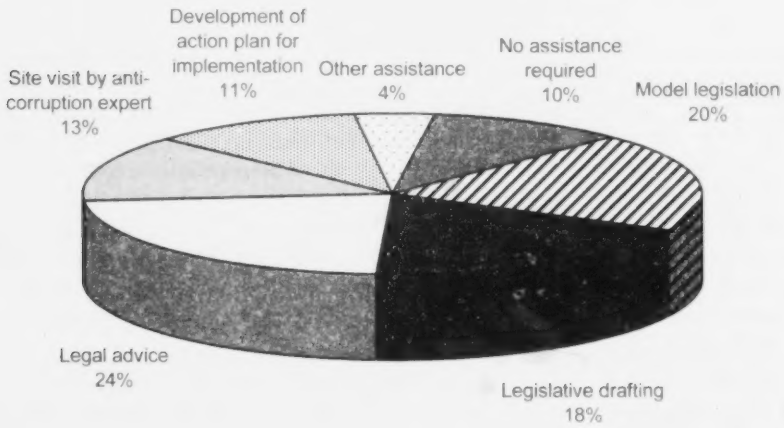


Figure VI
Technical assistance needs for the implementation of articles 52, 53, 54, 55 and 57


Development of action plan for implementation 11%
Other assistance 4%
No assistance required 10%
Site visit by anti-corruption expert 13%
Model legislation 20%
Legal advice 24%
Legislative drafting 18%

IV. International action for asset recovery

A. Political commitment

25. Political awareness of and commitment to asset recovery is increasingly reaching different political forums. This underlines the fact that international collaboration and collective action are essential for facilitating asset recovery and that requested and requesting countries share common goals and responsibilities.

26. The Group of 20, in the final report of its Working Group on Reinforcing International Cooperation and Promoting Integrity in Financial Markets, dated 27 March 2009, reiterated its support for the StAR initiative "to champion the

recovery of assets stolen from developing countries" and highlighted that "the systematic enforcement of FATF [Financial Action Task Force on Money Laundering] standards with respect to the identification of beneficial ownership and the enhanced monitoring of politically exposed persons would have a significant deterrence effect on corruption and make it easier to detect and deter the flow of proceeds of corruption."[3]

27. Strong political commitment for asset recovery has been expressed in the Declaration of Commitment of Port of Spain, adopted at the Fifth Summit of the Americas on 19 April 2009, in which 34 Governments reiterated their commitment "to deny safe haven to corrupt officials, those who corrupt them and their assets, and to cooperate in their extradition as well as in the recovery and return of the proceeds of corruption to their legitimate owners."[4]

28. The Doha Declaration on Financing for Development, adopted on 2 December 2008, addressed asset theft as an obstacle to development: "Additional measures should be implemented to prevent the transfer abroad of stolen assets and to assist in the recovery and return of such assets, in particular to their countries of origin, consistent with the United Nations Convention against Corruption, as well as to prevent capital flows that have criminal intent. We note the efforts of the United Nations Office on Drugs and Crime and the World Bank Group through the Stolen Asset Recovery initiative and other relevant initiatives... We welcome the increased commitment of States that have already ratified or acceded to the United Nations Convention against Corruption, and, in this regard, urge all States that have not yet done so to consider ratifying or acceding to the Convention. We call upon all States parties to fully implement the Convention without delay and to work jointly in the establishment of a mechanism for follow-up on implementation of the Convention."[5]

B. Technical assistance for the implementation of the Convention

29. A number of technical assistance activities for the implementation of the Convention are currently being carried out by bilateral and multilateral donors. According to the information received through the self-assessment reports, such technical assistance is being provided by Canada, Denmark, France, Germany, the Netherlands, Sweden, Switzerland, the United Kingdom and the United States. With regard to multilateral organizations, it was reported that assistance was being provided by the Asian Development Bank, the Commonwealth Secretariat, the Council of Europe, the European Commission, FATF and relevant regional bodies such as the Task Force of South America against Money Laundering and the Eastern and Southern Africa Anti-Money Laundering Group, the Inter-American Development Bank, the International Monetary Fund, OECD, the Organization for Security and Cooperation in Europe, the Organization of American States, the United Nations through agencies such as UNDP and UNODC, and the World Bank.

30. UNODC had adopted an approach formulated on several levels. In certain areas the commonality of needs was such that action could be planned and usefully

[3] http://www.g20.org/Documents/g20_wg2_010409.pdf.
[4] http://fifthsummitoftheamericas.org.
[5] A/CONF.212/L.1/Rev.1, annex, paras. 20-21.

undertaken at the global level. Those areas included the development of specialized expertise and the accumulation and dissemination of knowledge on the Convention and its potential for preventing and fighting corruption. To complement the global dimension, UNODC had launched thematic and regional programmes designed to deliver assistance in the areas covered by its mandate. The regional approach was paralleled by the formulation of national programmes designed to address country-specific needs.

31. UNODC developed and provided technical cooperation for roughly 40 countries, including Afghanistan, Bangladesh, Brazil, Cape Verde, India, Indonesia, Iran (Islamic Republic of), Jordan, Kenya, Kuwait, Lebanon, the Libyan Arab Jamahiriya, Kazakhstan, Kyrgyzstan, Maldives, Mauritius, Montenegro, Morocco, Nepal, Nigeria, Pakistan, Palestine, Seychelles, Swaziland, the Sudan, Tajikistan, Thailand, the United Arab Emirates, Uruguay, Uzbekistan, Viet Nam and Yemen. In line with the Paris Declaration on Aid Effectiveness (2005), UNODC increased its attention to providing technical assistance in conflict and post-conflict contexts such as the Democratic Republic of the Congo, Iraq and Southern Sudan. Technical assistance in the area of governance and anti-corruption focuses primarily on developing anti-corruption policies, providing capacity-building to anti-corruption bodies, including in the areas of asset tracing, seizure, confiscation and management, enhancing integrity in the criminal justice system and awareness-raising, with a view to involving non-State actors more actively in the prevention and control of corruption.

32. Under its Anti-Corruption Mentor Programme, UNODC has provided long-term specialized expertise in Bolivia, Cape Verde, Jordan, Kenya, Southern Sudan, Tajikistan and Thailand, resulting in Convention against Corruption gap analyses, the development of national anti-corruption strategies and the enhancement of the operational skills of the staff of anti-corruption bodies and other relevant stakeholder groups. At present, UNODC implements through its field office network 19 projects with a total multi-year budget of $65 million in the area of governance and anti-corruption.

33. With a view to delivering as one United Nations, several of the above projects are elaborated and jointly implemented with UNDP, including in Iraq, Maldives, Mauritius, Montenegro, Seychelles, Viet Nam and the Arab region. UNODC also continued to support the establishment of partnerships in the delivery of technical assistance with other United Nations offices and agencies, including the United Nations Industrial Development Organization, as well as with relevant international and regional bodies such as Global Organization of Parliamentarians Against Corruption, the League of Arab States, the Regional Anti-Corruption Initiative (for South-Eastern Europe), the Caribbean Community and the Commonwealth of Independent States.

34. UNODC, in cooperation with INTERPOL, is working towards the establishment of the International Anti-Corruption Academy. Asset recovery will feature prominently in the curriculum of the Academy, and asset recovery training under the StAR initiative will be coordinated with its training courses. The Academy will be the world's first educational institution dedicated to fighting corruption within the framework of the Convention against Corruption. Hosted by the Austrian Government in Laxenburg, on the outskirts of Vienna, the Academy will be open to people who play a key role in preventing and fighting corruption in

their countries, such as law enforcement officers, judicial, governmental and private sector personnel and representatives of non-governmental and international organizations. It is foreseen that the Academy will open its doors in mid-2010.

C. Stolen Asset Recovery initiative

35. The StAR initiative was launched jointly by the World Bank Group and UNODC in September 2007. Its goal is to encourage and facilitate the systematic and timely return of assets that are proceeds of corruption and to improve global performance in the return of stolen assets. Using the United Nations Convention against Corruption as its legal framework, the initiative focuses on three core components: (a) lowering the barriers to asset recovery by creating cumulative knowledge and supporting practitioners' networks for asset recovery; (b) building national capacity for asset recovery; and (c) providing preparatory assistance in the recovery of assets (aimed at collecting and sharing information to encourage the progress of a country's specific asset-recovery efforts).

36. UNODC and the World Bank created the institutional environment for the StAR initiative on the basis of a formal partnership agreement. A secretariat comprising two UNODC and three World Bank staff members coordinates the work of specialists also drawn from the World Bank and UNODC. The work of the secretariat is overseen by a management committee made up of the heads of the offices or departments who undertake StAR work in the two partner institutions. The initiative is financed by voluntary contributions from Canada, France, Germany, Luxembourg, Norway, Sweden, Switzerland, the United Kingdom and the United States.

1. Lowering the barriers to asset recovery through creating cumulative knowledge and supporting practitioners' networks for asset recovery

37. StAR is promoting the lowering of barriers for asset recovery in three ways: first, it is developing practical tools and good-practice guides to help practitioners with asset-recovery cases; second, it conducts focused policy studies on innovative aspects of asset recovery; and third, it supports the creation of networks of asset recovery practitioners in order to create confidence and trust and enhance cooperation between contact persons.

38. "Stolen asset recovery: a good practices guide for non-conviction based asset forfeiture" was published in April 2009. The book is designed as a practical tool for jurisdictions contemplating non-conviction-based asset forfeiture legislation, as encouraged by article 54, paragraph 1 (c), of the Convention against Corruption. The guidebook identifies the key concepts – legal, operational and practical – that a non-conviction-based asset-forfeiture system should encompass. It is the product of a collaborative effort of a team of expert practitioners, including magistrates, prosecutors and lawyers from civil- and common-law systems and from developed and developing countries. Taking a similar approach, the StAR initiative is developing an asset recovery handbook, which is aimed at helping practitioners with the strategic, organizational, investigative and legal challenges of international asset recovery. The StAR initiative is preparing further practical tools: it is, inter alia, supporting the establishment of the legal library and the Knowledge Management

Consortium, is developing an asset and income declaration guide and is currently looking into the technological and substantive requirements of expanding the UNODC Mutual Legal Assistance Request Writer Tool.

39. The StAR initiative further conducts focused policy studies on innovative aspects of asset recovery to inform policymaking in requesting States, as well as in States receiving requests. One study focuses on the barriers to asset recovery in States receiving requests, in particular in financial centres in order to inform their policies. A study on the global architecture supporting asset recovery will address the institutions ready to support, facilitate and promote international collaboration for asset recovery, such as UNODC, OECD, FATF and related regional bodies, INTERPOL, the Camden Asset Recovery Inter-Agency Network, the Egmont Group, the International Association of Anti-Corruption Authorities, the Wolfsberg Group, a number of development agencies and specialist organizations such as the International Centre for Asset Recovery. Further publications under development by the StAR initiative include an asset recovery bibliography and studies on the identification of politically exposed persons, the misuse of corporate vehicles for money-laundering purposes, the role of civil society organizations and the management of returned assets.

40. The Asset Recovery Focal Point Database, established by the StAR initiative in partnership with INTERPOL, was launched on 19 January 2009. Covering more than 70 countries, the database is a focal point contact list of officials who can respond to emergency requests for assistance 24 hours a day, seven days a week. Governments are encouraged to include their countries in the database, through their National INTERPOL Central Bureaux, if they have not yet done so. In complementary fashion, the StAR initiative supports the creation of regional networks modelled after the Camden Asset Recovery Inter-Agency Network, which is an informal network of judicial and law enforcement expert practitioners for criminal asset tracing, freezing, seizure and confiscation. Established in 2004, it now has 45 members, comprising 39 countries, states and jurisdictions and six international organizations. UNODC is working towards the creation of a southern African network composed of prosecutors, police officers and analysts dedicated to working on asset forfeiture. An initial conference was held on 23 and 24 March 2009 in Pretoria. In Latin America, a number of countries indicated their interest in establishing a similar network for asset recovery. An initial conference will be held from 11 to 13 August 2009 in Buenos Aires.

2. Building national capacity for asset recovery

41. The StAR initiative has financed or co-financed a number of training courses in Africa, South Asia and East Asia that have experimented with different course designs and lengths. During the first year, over 120 participants from 13 different countries participated in the introductory workshops, and 110 participants from 9 different countries participated in the advanced courses. Building on this experience, two types of training courses will be provided during the period to the end of December of 2010: short workshops to provide an overview of asset recovery issues and what the StAR initiative can do to help countries, and intensive technical training courses to develop capacity to identify, trace, freeze and confiscate assets. Both types of training can be delivered to a single country or to a group of countries at a regional event.

3. Preparatory assistance in the recovery of assets

42. The StAR initiative provides technical assistance in the preparatory stages of asset recovery proceedings. The goal is to help countries collect and analyse information that will facilitate progress in asset recovery efforts and inform national authorities' decision-making. This entails country dialogue and technical assistance, such as the sponsoring of meetings and workshops that bring together the parties involved at the national, regional or international level, as necessary; advisory services to support the preparation of analytical reports, legal research, assistance with audits and financial analysis; or advisory services to support the preparation and analysis of mutual legal assistance requests. As of June 2009, the StAR initiative had received formal requests for assistance from 17 countries and was in discussions with more. The nature of the initiative's engagement varies: in some cases assistance has been geared to policy dialogue and facilitation of contacts between national authorities and financial centres and in some others it has focused on capacity-building activities, while in yet others the initiative has provided advisory services to support asset recovery cases.

D. Cooperation with the private sector

43. The role of the private sector in the fight against corruption is increasingly being recognized as crucial, at both the international and the national levels. The business community is rapidly becoming conscious of the fact that investing in fighting corruption is not only a way of preventing costly litigation and damage to a company's reputation, but a sound long-term business practice. At the same time, it is essential for policymakers to establish and maintain close cooperation with the private sector to ensure the appropriateness and enforceability of regulatory measures.

44. Since the third meeting of the Global Compact Working Group on the Tenth Principle, in June 2008, UNODC has provided substantial contributions in three areas in particular: the development of a guide to facilitate companies' reporting on the tenth principle, a tool to prevent and fight corruption along the supply chain and a campaign waged by top business leaders in support of the Convention against Corruption. The fourth meeting of the Working Group, held in New York on 26 and 27 February 2009, reviewed the work of the task forces and prepared for the third session of the Conference of the States Parties to the Convention.

45. On 1 May 2009, in their letter to Secretary-General Ban Ki-moon,[6] chief executive officers from some of the world's leading companies threw their support behind the Convention and called on governments to implement it more effectively and robustly. They also underlined the need for the establishment of an implementation review mechanism by the Conference at its third session.

46. The sixth Global Forum on Fighting Corruption and Safeguarding Integrity, the theme of which will be "Strength in unity: public-private partnerships to fight corruption", will be held in Qatar on 7 and 8 November 2009, preceding the third session of the Conference of the States Parties. The Forum will place considerable emphasis on the contribution that the private sector can make in the fight against

[6] CAC/COSP/WG.1/2009/2.

corruption and explore how to forge alliances between the private sector and the donor community. In consonance with the commitments made through the Bali Business Declaration, some of the deliverables of the Global Compact Working Group on the Tenth Principle will be presented at the Forum. The outcome of the Forum will be brought to the attention of the Conference of the States Parties at its third session.

47. A joint project by UNODC and PricewaterhouseCoopers, a compendium of anti-corruption policies and measures adopted by companies listed in the Fortune Global 500 Index to combat corruption, will be launched in September 2009. Research work was done by PricewaterhouseCoopers as a pro bono contribution.

48. There is an ongoing dialogue with Microsoft on a pro bono contribution to the information technology-based Knowledge Management Consortium, as well as with Transparency International and the International Chamber of Commerce on the alignment of their business principles with the fundamental principles of the Convention against Corruption.

V. Resources

49. The United Nations Office on Drugs and Crime is grateful for the generous contributions made by Australia, Austria, Canada, Finland, France, Germany, Greece, Japan, Luxembourg, the Netherlands, Norway, Poland, Sweden, Switzerland, the United Kingdom, the United States, the United Nations Democracy Fund, UNDP and the World Bank to support its work for the implementation of the Convention. Thanks to these voluntary contributions, the Office was in a position to carry out its programme of activities, including those mandated by the Conference of the States Parties, such as the pilot programme for the review of implementation.

VI. Conclusions and recommendations

50. The continuing increase in the number of parties is evidence that the Convention will become a truly global, fully operational instrument in line with the aspirations and expectations of Member States. Every effort should be made to increase the number of ratifications and to operationalize the provisions of the Convention. In this context, the General Assembly may wish to encourage Member States that have not yet done so to ratify or accede to the Convention and to support its full implementation.

51. The greatest expectation facing the third session of the Conference of the States Parties will be that of reaching agreement on the terms of reference of the mechanism for the review of the implementation of the Convention. Reaching agreement on this complex and delicate matter and, most importantly, ensuring the full and effective functioning of the review mechanism will require the unwavering commitment and constructive engagement of all Member States. In this context, the General Assembly may wish to call on Member States to provide full support for the establishment and operation of the mechanism for the review of implementation, which is expected to be adopted by the Conference of the States Parties at its third session.

52. Information on the implementation of the Convention and on technical-assistance needs is instrumental for informed political decision-making and the establishment of priorities for technical assistance. In this regard, the General Assembly may wish to encourage Member States to make full use of the comprehensive self-assessment tool that is expected to be approved by the Conference of the States Parties at its third session.

53. Asset recovery will continue to be a priority, including for designing and implementing technical-assistance activities. The General Assembly may wish to encourage Member States to invest energy, time and resources in the implementation of the asset recovery provisions of the Convention. Equally important will be the willingness of Member States and international organizations to identify the best possible ways forward, principal among them being ways of fostering mutual trust, confidence and strengthened cooperation.

54. With the steadily growing number of States parties, the number of countries that may require technical assistance to enable them to effectively meet their obligations under the Convention will also grow. While UNODC and other providers of technical assistance are making significant efforts in this area, those efforts are by no means commensurate with the challenges posed to developing countries and countries emerging from conflict when seeking to align their legal and institutional framework with the requirements of the Convention, and even less so when trying to build the necessary professional skills and capacities to ensure effective implementation.

55. As the number of States parties and the dynamism of international cooperation for the implementation of the Convention rise, expectations towards UNODC will increase exponentially. This will particularly be the case when States parties reach agreement on the terms of reference of the mechanism for the review of implementation of the Convention at the third session of the Conference of the States Parties. To meet those expectations, increased financial and human resources will be required to enable the Office to promote the implementation of the Convention and to discharge its functions as the secretariat of the Conference of the States Parties and of the review mechanism. The General Assembly may wish to give appropriate consideration to these needs of UNODC and to explore ways of addressing them in the context of the biennium 2010-2011 and subsequent bienniums.